

Copr. © West 2004 No Claim to Orig. U.S. Govt. Works

32 N.J.R. 4451(b)
32 N.J. Reg. 4451(b)

NEW JERSEY REGISTER
VOLUME 32, NUMBER 24
MONDAY, DECEMBER 18, 2000
RULE ADOPTION
TREASURY-TAXATION
DIVISION OF TAXATION
UNCLAIMED PERSONAL PROPERTY
SAFE DEPOSIT BOXES AND OTHER SAFEKEEPING REPOSITORIES; POLICIES
AND PROCEDURES

Additions to proposals are indicated by <<+ Text +>>; deletions
from
proposals are indicated by <<- Text ->>.
Changes in tables are made but not highlighted.

Adopted New Rules: N.J.A.C. 18:13

Proposed: October 16, 2000 at 32 N.J.R. 3751(b).

Adopted: November 16, 2000 by Stephen M. Sylvester,
Administrator, Unclaimed Property, Division of Taxation.

Filed: November 17, 2000 as R.2000 d.499, without change.

Authority: N.J.S.A. 46:30B-107.

Effective Date: December 18, 2000.
Expiration Date: December 18, 2005.

Pursuant to Executive Order No. 66(1978), N.J.A.C. 18:13 expired
November
6, 2000. The expired rules are adopted herein as new, in accordan
ce with
N.J.A.C. 1:30-4.4(f).

Summary of Public Comment and Agency Response:

No comments were received.

Federal Standards Statement

A Federal standards analysis is not required because the adopted
new rules are
derived from N.J.S.A. 46:30B-107 and there are no Federal standar
ds or
requirements applicable to the subject matter of the new rules.

Full text of the expired rules adopted as new can be found in the New Jersey Administrative Code at N.J.A.C. 18:13.

<< NJ ADC 18:13-1.1 >>

18:13-1.1 Declaration of policy

(a) All abandoned safe deposit boxes and other safekeeping repositories shall be individually reported regardless of content value.

1. (No change.)

2. For the purposes of the report requirements, items of insubstantial commercial value, may be grouped under the heading "Insubstantial Commercial Value" and need not be individually listed for each safekeeping unit.

(b) Each safe deposit box or other safekeeping repository will stand alone with regard to assets therein, lien charges, sale expenses and sale proceeds.

1. (No change.)

2. Safe deposit box or repository charges shall only be reimbursed, pursuant to N.J.S.A. 46:30B-67, if the items are sold at auction and there are funds available after the State's administrative costs have been satisfied. These charges shall be documented on the report for each owner with supporting evidence held for future audit. If the owner claims the contents prior to sale, the claimant shall receive the contents without charge.

(c) If the holder chooses to report electronically the State will require that the format be consistent with the State format for reporting safe deposit box or other safekeeping repository records. (See N.J.A.C. 18:13-1.3.)

(d) (No change.)

(e) Upon presumption of abandonment, the holder shall file the required report pursuant to N.J.S.A. 46:30B-46 through 50 and this chapter, using the State approved format, State form UP-1 or approved substitute form.

1.-2. (No change.)

(f) The Unclaimed Property Operations Branch shall not accept deliveries of safekeeping contents by mail or in person from holders. A representative of the Unclaimed Property Operations Branch shall review each report at the holder's location to assure that the reported inventory is consistent with the delivery. All delivery arrangements shall be made by the Unclaimed Property Operations Branch.

<< NJ ADC 18:13-1.3 >>

18:13-1.3 Reporting

(a) The safe deposit box holder shall be sent a notification each year prior to August 1 detailing any changes in reporting requirements and giving instructions on how to download the report from the Internet or the phone number to call in order to receive a paper copy of the reporting form.

1. Instructions as to how to report will be posted on the Unclaimed Property Operations Branch's website and mailed upon request. The web address is <http://www.state.nj.us/treasury/taxation/>. All holders shall record an owner's name, associated address, and social security number.

(b) (No change.)

(c) Each owner's property shall be maintained and reported separately. Property of different owners shall not be intermingled.

(d) Cash shall be delivered to the Unclaimed Property Operations Branch in its original form. Cash shall not be converted to any other cash instrument.

<< NJ ADC 18:13-1.4 >>

18:13-1.4 Estimation of value

(a) The holder shall report to the administrator the nature and identifying number, if any, or description of the property item and the actual/appraised/estimated value.

1. (No change.)

2. Where the value of the property requires an appraisal and for items whose value is not easily estimated, the estimated value made for the notarized certificate issued at the time that the safe deposit box is opened or other safekeeping repository unit is inventoried is the estimated value for reporting purposes.

3. However, at the time of sale by New Jersey, if for any item the estimate or appraisal made when the box was opened or other safekeeping unit is inventoried may be out of date, the administrator may obtain a current valuation from an independent appraiser.

<< NJ ADC 18:13-1.5 >>

18:13-1.5 Reporting multiple or repositories of worthless items

(a) Multiple boxes or repositories of "worthless" items shall be reported individually.

1. In the event one person owns two or more boxes or repositories the aggregate value of which is \$25.00 or more, even though the contents of each individual box or repository are valued at less than \$25.00, the holder shall report the name and last known address of the owner pursuant to N.J.S.A. 46:30B-47(a).

<< NJ ADC 18:13-1.6 >>

18:13-1.6 Alternate disposition and indemnification of holder upon election of administrator not to receive the property

(a)-(b) (No change.)

(c) No action shall be taken against the holder on account of such disposition.

(d) A representative of the Unclaimed Property Operations Branch shall verify that the contents are of insubstantial commercial value.

1. (No change.)

<< NJ ADC 18:13-1.7 >>

18:13-1.7 Retention of records

(a) (No change.)

(b) Every holder required to file a report under Article 17 of N.J.S.A. 46:30B, as to any property for which it has obtained the last known address of the owner, shall maintain a record of the name and last known address of the owner for five years after the property becomes reportable, except to the extent that a shorter time is provided by rule of the administrator.

<< NJ ADC 18:13-1.8 >>

18:13-1.8 Continuity of records

Where a holder acquires unclaimed property from another holder, such as in a merger, acquisition, reorganization, consolidation, or transfer, that successor holder shall have a duty to maintain and continue the records of the prior holder concerning the unclaimed property, including, but not limited to, the date of the last rental payment, lease period, or other custodial agreement.

<< NJ ADC 18:13-1.9 >>

18:13-1.9 Notice requirement

(a) The holder shall give written notice to the apparent owner not more than 120 days before the report is filed, pursuant to N.J.S.A. 46:30B-50, informing the apparent owner that the holder is in possession of property presumed abandoned if:

1.-3. (No change.)

<< NJ ADC 18:13-1.11 >>

18:13-1.11 Inspection of holder inventory or safe deposit box

(a) (No change.)

(b) The Unclaimed Property Operations Branch shall notify the holder by letter referencing the report summary detailing the inventory that will be inspected.

1. (No change.)

(c) The inventory verification will be performed with a representative(s) of the State's Unclaimed Property Program and a representative(s) of the holder in attendance.

1. Inventory items will be visually inspected and verified against the report. Each envelope of contents shall be sealed with tape and signed by the holder and representative of the Unclaimed Property Operations Branch across the tape. These envelopes are placed in a storage box which shall be taped with specially printed tape.

i. (No change.)

(d) (No change.)

32 N.J.R. 4451(b)
END OF DOCUMENT